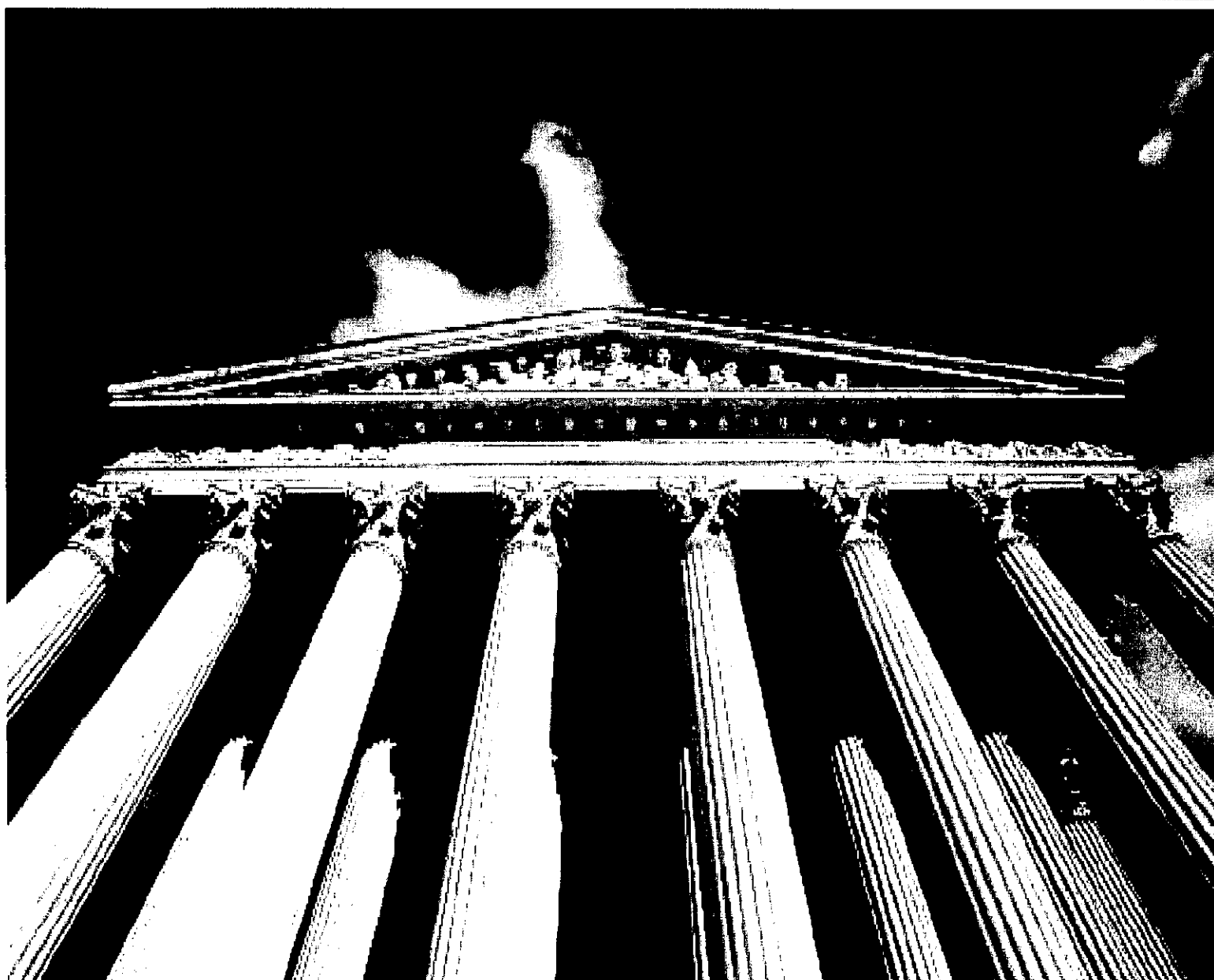


Beaver Valley Geriatric Center Collective Bargaining Unit Employees Retirement Plan

Actuarial Report January 1, 2008

HayGroup®



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for

Beaver County Employees' Retirement Board

CONFIDENTIAL

May 16, 2008

Beaver County Employees' Retirement Board
Court House
Third Street
Beaver, PA 15009

We are pleased to present the results of our actuarial valuation of the Beaver Valley Geriatric Center Collective Bargaining Unit Employees Retirement Plan as of January 1, 2008.

The primary purpose of this report is to investigate and fully and fairly disclose the actuarial position of the System as of January 1, 2008 and to establish the proper appropriation of the 2008 plan year. Highlights of the valuation are presented on page 1, followed by schedules which summarize the asset information, underlying calculations, participant data, plan benefits and actuarial assumptions.

In Schedule A is shown a list of the total assets by classification, as provided by the County as of January 1, 2008.

Schedule B shows the actuarial balance summary of the plan as of January 1, 2008. The liabilities were determined from the actuarial valuation of the System based upon the data submitted by the Center.

The certified annual appropriation of \$0 required for the Beaver Valley Geriatric Center Collective Bargaining Unit Employees Retirement Plan for 2008 is determined in Schedule C.

Schedule D shows the age and service profile of the active members on January 1, 2008

The current benefit and contribution provisions of the plan are summarized in Schedule E.

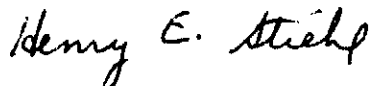
Schedule F summarizes the actuarial assumptions and cost methods used for determining costs. The Asset Valuation Method used is Market Value to comply with GASB standards which state that investments should be reported at the fair value at the reporting date.

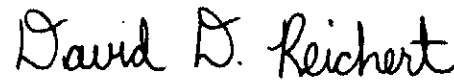
On the basis of the actuarial methods, assumptions and major plan provisions summarized in this report and in reliance on the member data and statement of the Fund's assets furnished by the County, to the best of our knowledge the information in this report is complete and accurate.

In our opinion this report presents fairly the financial and actuarial position of the Beaver Valley Geriatric Center Collective Bargaining Unit Employees Retirement Plan as of January 1, 2008 in accordance with generally accepted actuarial principles, and on the basis of actuarial assumptions and methods which, in the aggregate, are reasonable (taking into account past experience under the plan and reasonable expectations) and which in combination represent my best estimate of anticipated experience.

Respectfully submitted,

HayGroup

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I. Valuation Highlights

	January 1, 2008	January 1, 2007
Employer's Contributions	\$ 0	\$ 0
Actuarial Value of Assets	4,664,092	4,644,736
Actuarial Present Value of Accumulated Plan Benefits:		
Vested Benefits *	2,505,065	2,536,534
Non-Vested Benefits	0	0
Total	2,505,065	2,536,534
Active Participants:		
Number	30	41
Pensioners and Beneficiaries:		
Number	113	107
Total Annual Pension	165,350	154,555
Terminated Vested Participants:		
Number	56	55
Total Annual Pension	76,402	72,289

* Does not include employee contributions.

II. Schedules

Schedule A

Plan Assets

<i>Plan Assets December 31, 2007</i>		
		Market Value
Cash Equivalents	\$	95,243.36
Government Securities	\$	1,161,715.56
Corporate Bonds	\$	645,716.80
Common Stock	\$	2,475,505.71
Atticus Fund	\$	285,910.35
Assets at Market Value, December 31, 2007	\$	4,664,091.78

Schedule A--Continued

Reconciliation of Assets

	Market Value
1. Total Assets December 31, 2006	\$ 4,644,736.48
2. Increases	
(a) Employer Appropriation for 2007	\$ 0.00
(b) Employee Contributions	\$ 4,800.81
(c) Net Investment Income	\$ 197,339.14
(d) Miscellaneous	\$ 514.66
(e) Total Increase	\$ 202,654.61
3. Decreases	
(a) Refund of Employee Contributions	\$ 2,455.20
(b) Retirement Allowances Paid	\$ 180,844.11
(c) Death Benefits	\$ 0.00
(d) Miscellaneous	\$ 0.00
(e) Total Decreases	\$ 183,299.31
4. Total Assets December 31, 2007 (Market Value) (1) + (2) - (3)	\$ 4,664,091.78

**Actuarial Value Of Assets
January 1, 2008**

The December 31, 2007 market value of assets, \$4,644,736.48 was used as the actuarial value of assets as of January 1, 2008.

Schedule B

Actuarial Balance Sheet January 1, 2008

Assets	
Present Assets	
National City Trust	\$ 4,644,091.78
Reserve for Future Liabilities	\$ (1,900,905.08)
<i>Total Assets</i>	<u>\$ 2,763,186.70</u>
Liabilities	
Actuarial Present Value of Accumulated Plan Benefits	
Vested benefits:	
Active Participants	\$ 551,772.00
Retired Participants	\$ 1,340,766.00
Terminated Participants	\$ 612,527.00
Employee Contributions	\$ 214,303.70
<i>Total Vested Benefits</i>	<u>\$ 2,719,368.70</u>
Non-Vested Benefits:	\$ 0.00
<i>Total Accumulated Benefits</i>	\$ 2,719,368.70
Actuarial Present Value of Future Benefit Accruals	
Active Participants	\$ 43,818.00
<i>Total Liabilities</i>	<u>\$ 2,763,186.70</u>

Schedule C

Development of Normal Cost January 1, 2008

1. Actuarial Present Value of Projected Benefits:	
(a) Active Participants	
Retirement Benefits	\$ 590,325.00
Termination Benefits	\$ 3,795.00
Death Benefits	\$ 1,470.000
Total	\$ 595,590.00
(b) Retired Participants and Beneficiaries	\$ 1,340,766.00
(c) Terminated Vested Participants	\$ 612,527.00
(d) Employee Contributions	\$ 214,303.70
(e) Total	\$ 2,763,186.70
2. Actuarial Value of Assets (See Schedule A)	\$ 4,664,091.78
3. Actuarial Present Value of Future Normal Costs:	
(1) - (2) (not less than zero)	\$ 0.00
4. Actuarial Present Value of Future Service Years	\$ 73
5. Normal Cost Accrual Rate: (3) / (4)	\$ 0.00
6. Current Number of Active Participants Under Age 60 (Nearest Birthday)	16
7. Total Normal Cost as of January 1, 2008: (5) x (6)	\$ 0.00

Schedule D

Age and Service Profile of Active Participants January 1, 2008

Males -- Full Years of Service to January 1, 2008								
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total
0-19	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	1	1
55-59	0	0	0	0	0	0	0	0
60-64	0	0	0	0	0	0	0	0
65 +	0	0	0	0	0	0	1	1
Total	0	0	0	0	0	0	2	2

Average Age: 67.00
Average Duration: 30.50

Females -- Full Years of Service to January 1, 2007								
Age	0-4	5-9	10-14	15-19	20-24	25-29	30+	Total
0-19	0	0	0	0	0	0	0	0
20-24	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0
35-39	0	0	0	0	0	0	0	0
40-44	0	0	0	0	0	0	0	0
45-49	0	0	0	0	0	0	0	0
50-54	0	0	0	0	0	0	8	8
55-59	0	0	0	0	0	1	6	7
60-64	0	0	0	0	0	0	6	6
65 +	0	0	0	0	0	0	7	7
Total	0	0	0	0	0	1	27	28

Average Age: 59.79
Average Duration: 31.93

Schedule E

Summary of Principal Plan Provisions as of January 1, 2008

- | | |
|---|--|
| 1. Type of Plan | The Plan is a defined benefit plan. |
| 2. Effective Date | The Plan became effective January 21, 1975. |
| 3. Eligibility for Participation | All employees as of May 20, 1978 who are members of the Service Employees International Union, Local 585, are eligible. |
| 4. Definitions | <p>Plan Year: A Plan Year is a 12-month period beginning on January 1 and ending on December 31.</p> <p>Credited Service: All service from date of hire to retirement or termination; service credits transferred to the Beaver County Retirement Plan are excluded. Each year during which a participant works 1,000 hours is credited as one year of service.</p> <p>Accrued Benefit: A monthly benefit for life equal to \$6.20 multiplied by years of Credited Service.</p> |
| 5. Retirement Benefits | <p>Normal Retirement</p> <p><i>Normal Retirement Date:</i> The first day of the month coincident with or next following a participant's 60th birthday.</p> <p><i>Normal Retirement Benefit:</i> A monthly benefit equal to the Accrued Benefit.</p> <p>Early Retirement</p> <p><i>Early Retirement Date:</i> The first day of any month after the participant has both attained age 50 and completed at least 8 Vesting Years.</p> |

Schedule E--Continued

Early Retirement Benefit: A monthly benefit equal to the Accrued Benefit commencing at age 60, or a reduced monthly benefit beginning the first of any earlier month, with the reduction factor equal 1/180 for each of the first 60 months, and 1/360 for each of the next 60 months that Early Retirement Date precedes the Normal Retirement Date.

Postponed Retirement

Postponed Retirement Date: The first day of any month after the participant's Normal Retirement Date.

Postponed Retirement Benefit: The accrued benefit as of the Postponed Retirement Date.

6. Termination Benefit

Eligibility: Eight years of service.

Termination Benefit: A monthly benefit equal to the Accrued Benefit, commencing at age 60.

7. Death Benefits

Pre-retirement Spouse's Benefit: None

Post-retirement Spouse's Benefit: None, except as provided by the election of an optional form of payment.

8. Disability Benefit

Eligibility: Ten years of service and permanent and total disablement in accordance with the Federal Social Security Act.

Disability Benefit: A monthly benefit equal to 25% of the Accrued Benefit at disablement, commencing the first day of the month following eligibility.

Schedule F

Actuarial Assumptions for Cost Calculations

Interest

7½% per annum, compounded annually.

Mortality

1983 Group Annuity Mortality Table for males.

Withdrawal

Withdrawal rates from Table T-3 of the Actuary's Pension Handbook were assumed. Specimen rates are illustrated below:

Age	Rates of Withdrawal
25	5.3%
30	4.8
35	4.5
40	3.8
45	3.2
50	1.5
55	0.3

Retirement

Active employees were assumed to retire at age 60.

Disability

1964 OASDI Disability rates for males.

Disabled Life Mortality

Pragmatic Disabled Life Continuance Table.

Asset Valuation Method

Market value.

Actuarial Cost Methods

The Aggregate Actuarial Cost Method was used to determine liabilities and costs related to retirement, termination, death and disability benefits. Under this method, the value of present assets are subtracted from the present value of all future benefit payments. The difference is spread evenly over the future service of all members. This normal cost includes an adjustment for gains and losses due to actuarial experience.

Benefits related to non-vested terminated participants are not valued even though benefits might be reinstated if any such participants are re-hired.